



WEEKLY REPORT

ARIZONA STATE RETIREMENT SYSTEM

Paul Matson, Director
3300 North Central Avenue, Phoenix, Arizona 85012
www.asrs.state.az.us

ASRS Board of Trustees

Dr. Keith Meredith, Chairperson
Mr. Karl Polen Jr., Vice Chair
Ms. Charlotte Borchert
Mr. Jim Bruner
Mr. Jaime Gutierrez
Ms. Anne Mariucci
Mr. Michael Townsend
Mr. Lawrence Trachtenberg
Mr. Steven Zeman

For the week ending Friday, October 01, 2004

Welcome to the ASRS Weekly Report. This report provides a briefing of news and notices important to member employers and your employees. Please direct comments or email address updates to weeklyreport@asrs.state.az.us or phone (602) 308-5107.

***** Please distribute or make this report available to your employees. *****

ASRS News

As required by state statute, the Arizona State Retirement System adjusts contribution rates every two years to ensure the pension plan, retiree health insurance supplement plan and long-term disability plan remain fiscally sound.

Due to a variety of factors, including past benefit increases, mid-term investment returns and changing demographics of the ASRS membership, the ASRS projects an increase in contribution rates for the period from July 1, 2005 through June 30, 2007. These preliminary estimates show:

- **Retirement and Retiree Health Insurance Plans:** Increase from the current 5.2 percent of employee and employer contributions to a rate of approximately 7.75 percent.
- **Long Term Disability Plan:** No increase from the current 0.5 percent of employee and employer contributions.
- **Combined Contribution Rate:** Increase from the current 5.7 percent to 8.25 percent.

The ASRS is awaiting the final 2004 Actuarial Valuation report, which is needed to finalize the new rate. The ASRS Board of Trustees is expected to take final action on a new contribution rate at its November Board meeting.

A special bulletin, along with the fall issue of the Employer Update newsletter, is being mailed to all employer representatives, and contains further details. Or, you can visit our website at www.asrs.state.az.us to learn more.

Additional information will be forthcoming as the process for setting new contribution rates evolves.

Open Enrollment for Retiree Health Insurance set for October

The ASRS annual Open Enrollment period, during which retirees may elect to enroll or make changes to their medical and/or dental plans, will take place October 4-29. All retired members will be receiving an information packet in the mail. Watch the ASRS website for more details!

2004 ASRS Employer Relations 101 Workshop Fall Schedule

The ASRS Employer Relations division has developed a new workshop to assist employers in training new staff about their responsibilities in dealing with the retirement system. Subject matter includes determining membership, long term disability, contribution reporting, return to work rules and more.

These new workshops come after our successful Employer Conference series, which provided updated information to all our employer representatives. ER 101 is designed especially for those who haven't worked with the ASRS in the recent past. Come learn the basics and get to know your ASRS Employer Relations representatives!

Workshop Dates: Oct. 7, Oct. 27, Nov.10, or Dec. 6, 2004
8:30 a.m. - 12:30 p.m.
3300 N Central Ave., Phoenix, 10th floor Board Room

Reservations: Space is limited! Register today by sending an email with your name, title, employer name and telephone number to: **WeeklyReports@asrs.state.az.us**

Service Purchase Notice
ATT: Employees who work less than a full 12-month work year

The ASRS has reviewed and revised its practice for accepting Service Purchase requests for member employees who work less than a full 12-month year.

It had been ASRS practice to accept Service Purchase requests from members who were presently making contributions to the Retirement System. However, it was brought to the attention of the ASRS that some employees, especially school teachers, work full time but on a nine-month calendar. During the months that these employees were not working and not making contributions to the Retirement System, they were generally instructed that their Service Purchase request could only be processed during the months that they were contributing.

Service Purchase requests will now be accepted for these employees, under the terms of meeting all other eligibility criteria.

This notice is to advise members who may have been denied the opportunity to file a Service Purchase request under the circumstances described above that they may re-file their request, and may be eligible to purchase that service now, under the terms that existed when the initial inquiry was made. This opportunity to re-file a request will be extended only through Dec. 31, 2004 and must be accompanied by a "Service Purchase Confirmation Statement." This statement form may be found on the ASRS website under the category "Forms" and the subcategory "Other Forms."

Questions regarding this matter should be directed to the ASRS Member Service Division, which can be reached via email at contactus@asrs.state.az.us, or by calling (602) 240-2000 in the Phoenix area, (520) 239-3100 in the Tucson area, or toll-free at 1(800) 621-3778.

Rules Proceedings

- **Oral Proceeding on Practice and Procedure for Appeals** – Monday, October 25, 2 p.m., ASRS Phoenix office, 3300 N. Central Ave., 10th floor Board Room.

Board & Committee Meetings

- **ASRS Board of Trustees** – Friday, October 15, 8:30 a.m., ASRS Phoenix office, 3300 N. Central Ave., 10th floor Board Room.
- **Investment Review Committee** – Tuesday, October 5 – CANCELED. Next scheduled meeting is Tuesday, November 2, 5:30 p.m., ASRS Phoenix office, 3300 N. Central Ave., 14th floor conference room.
- **Operations Review Committee** – Thursday, October 21, 10:30 p.m., ASRS Phoenix office, 3300 N. Central Ave., 14th floor conference room.
- **External Affairs Review Committee** – Friday, November 5, 10 a.m., ASRS Phoenix office, 3300 N. Central Ave., 14th floor conference room.

Note: All Board & Committee meetings are open to the public and your attendance is encouraged. Schedules, agendas and minutes of our meetings are posted on our website and are available at our Phoenix and Tucson offices.